

Summary of Integrated Care Organization (ICO) Certification Phases in Virtual PACE

ICO certification will be conducted in three phases, each requiring progressively more detail and additional evidence of ICO capability to operate the Virtual PACE program. The ICO application is derived from the CMS PACE Application, with additional directives incorporated for the unique elements of the Virtual PACE initiative.

- Phase One is largely a DHS process, with the objectives of identifying the potential market and establishing the preliminary criteria ICOs must meet.
- Phase Two will incorporate yet to be determined CMS requirements in addition to materials identified in Phase One as Phase Two deliverables
- Phase Three will culminate in the certification by DHS and CMS of the ICOs' operational and systems readiness.

Phase One – Initial Application

DHS is using Phase One to identify the potential ICO market, obtain initial information on potential ICOs, and begin assessing which entities demonstrate the competency and capacity to operate a Virtual PACE program beginning in January 2013. Entities interested in becoming ICOs must complete the initial application released on July 30th, 2012. DHS will review the ICO's plans for the Virtual PACE program and their ability to implement the program as evidenced in this application. Application materials will be shared with CMS, as well as DHS' assessment and decisions on which applicants are approved to proceed to Phase Two.

Applications must meet the minimum requirements in Phase One to proceed to Phase Two. This includes timely submission and complete answers in each of 11 topic areas with sufficient detail as requested in the application. The attached minimum requirements description captures the key criteria to be addressed in the initial application. Beyond minimum standards for experience and solvency, and permission to receive passive enrollment per CMS requirements, much of the initial application responses are narrative description of the ICOs' plans to operationalize key program requirements. The open ended nature of narrative responses allows DHS to assess the applicants' understanding of the DHS Virtual PACE proposal and its principles, and ability to apply this framework to the identified population, improving upon existing programs currently serving them, such as in PACE, Medicare Advantage, Medicaid Managed Care, and the FFS nursing home system.

Applications in Phase One are not scored or ranked; rather, any and all applications meeting the established minimum standards will proceed to subsequent phases.

Phase Two – Documentation of ICO Capacity

Following approval of initial applications, ICOs will be instructed to provide additional documentation of their capacity to operate the Virtual PACE program. Phase Two will require more thorough, detailed documentation of prospective ICOs' ability to meet Virtual PACE requirements and operate the program. For example, network adequacy reviews will be a part of Phase Two.

Many Phase Two requirements were described within the initial application as items to be provided following initial certification. DHS and CMS may agree on additional Phase Two requirements for ICOs in their MOU negotiations. Entities fully documenting their capacity to operate the Virtual PACE program will receive DHS and CMS approval to proceed to Phase Three.

Phase Three- Readiness Reviews

Prior to notification of beneficiaries, DHS and CMS will jointly conduct readiness reviews to verify that ICOs are prepared to implement the program and begin serving enrollees. If an ICO fails readiness review, no members will be enrolled in the ICO; either passive enrollment will be cancelled and the members will remain in their existing FFS systems, or enrollments will be shifted to another ICO if there are multiple ICOs in the region